AMENDMENTS TO THE CLAIMS

Please amend the following claims as follows:

1. (Currently amended) A method of managing a healthcare practice participating in an insurance network to optimize profitability of the healthcare practice with respect to a predetermined reimbursement amount for pharmacy costs, the method comprising:

gathering data in a tangible computer medium from each of a plurality of physicians in the healthcare practice participating in the insurance network regarding management of the pharmacy costs;

identifying from the tangible computer medium at least one of the plurality of physicians in the healthcare practice participating in the insurance network that is at a greater risk of not receiving the predetermined reimbursement amount for the pharmacy costs from the insurance network by prescribing medications that are detrimental to receiving the predetermined reimbursement amount for the pharmacy costs; and

after the step of identifying, modifying management behavior of the at least one of the plurality of physicians at the greater risk regarding the pharmacy costs to substantially reduce the risk of not receiving the predetermined reimbursement amount for the pharmacy costs from the insurance network and thereby increase the profitability of the healthcare practice.

2. (Currently amended) The method as defined in Claim 1, wherein the step of gathering data in the tangible computer medium includes gathering information regarding the pharmacy costs of each of the plurality of physicians in the healthcare practice participating in the insurance network from a database associated with a pharmacy network, the database positioned on a server in communication with each of a plurality of pharmacies in the pharmacy network participating in the insurance network.

3. (Previously amended) The method as defined in Claim 1, wherein the step of identifying the at least one physician comprises analyzing the pharmacy costs of each of the plurality of physicians in the healthcare practice, calculating an average pharmacy cost per physician for the healthcare practice, and identifying the physicians that have pharmacy costs

that are a predetermined percentage greater than the average pharmacy costs per physician for the healthcare practice.

4. (Previously amended) The method as defined in Claim 1, wherein the step of identifying the at least one physician comprises selecting the physician having the highest pharmacy costs within the healthcare practice.

5. (Previously Amended) The method as defined in Claim 1, wherein the step of modifying the at least one physician's management behavior regarding the pharmacy costs comprises educating the at least one physician on the benefits of alternative prescription medications using research literature for comparing the alternative medications to the prescribed medications and organizing continued medical education classes to educate each of the plurality of physicians in the healthcare practice on the benefits of the alternative prescription medications.

6. (Original) The method as defined in Claim 5, wherein the step of modifying the at least one physician's management behavior further comprises preparing a list of prescription medications that the at least one physician may prescribe that enable a physician to receive the predetermined reimbursement amount for the pharmacy costs.

7. (Original) The method as defined in Claim 6, wherein the step of modifying the at least one physician's management behavior further comprises providing custom prescription medication forms that include the list of prescription medications that the at least one physician may prescribe that enable the at least one physician to receive the predetermined reimbursement amount for the pharmacy costs.

8. (Original) The method as defined in Claim 7, wherein the insurance network comprises one of the plurality of insurance networks, the at least one physician participates in the plurality of insurance networks, and wherein the step of modifying the at least one physician's management behavior further comprises preparing a list of common prescription medications that are approved by each of the plurality of insurance networks so as to enable the at least one physician to receive the predetermined reimbursement amount for the pharmacy costs.

9. (Original) The method as defined in Claim 7, wherein the step of modifying the at least one physician's management behavior further comprises analyzing a patient's prescription history to thereby avoid possible adverse prescription medication reactions.

10. (Original) The method as defined in Claim 9, further comprising providing patient intervention to modify the at least one physician's management behavior, the patient intervention including identifying at least one patient whose present prescription medications put the at least one physician at risk for not receiving the predetermined reimbursements for the pharmacy costs, amending the at least one patient's present prescription medications to decrease the at least one physician's risk of not receiving the predetermined reimbursements for the pharmacy costs, and discontinuing the at least one patient's present prescription medications that put the at least one physician at risk for not receiving the predetermined reimbursements for the pharmacy costs.

11. (Original) The method as defined in Claim 10, wherein the step of discontinuing the at least one patient's present prescription medications further includes preparing first and second letters on the at least one physician's letterhead, the first letter informing the pharmacy that the at least one patient's present prescription medication is discontinued and the second letter informing the at least one patient that the patient's present prescription medication is discontinued, wherein the first and second letters are reviewed for accuracy, signed by the physician, and transmitted to the pharmacy.

12. (Original) The method as defined in Claim 1, further comprising updating each of the plurality of physicians in the healthcare practice of any changes in the management of pharmacy costs from the insurance network.

13. (Currently amended) A method of managing a healthcare practice participating in an insurance network to optimize profitability of the healthcare practice with respect to a predetermined reimbursement amount for selected ancillary medical costs, the method comprising:

gathering data in a tangible computer medium from each of a plurality of physicians in the healthcare practice participating in the insurance network regarding management of the selected ancillary medical costs;

identifying from the tangible computer medium at least one of the plurality of physicians in the healthcare practice participating in the insurance network that is at a greater risk of not receiving the predetermined reimbursement amount for the ancillary medical costs from the insurance network by engaging in ancillary medical procedures that are detrimental to receiving the predetermined reimbursement amount for the ancillary medical costs; and

after the step of identifying, modifying management behavior of the at least one of the plurality of physicians at the greater risk regarding the ancillary medical costs to substantially reduce the risk of not receiving the predetermined reimbursement amount for the ancillary medical costs from the insurance network and thereby increase the profitability of the healthcare practice.

14. (Currently amended) The method as defined in Claim 13, wherein the step of gathering data in the tangible computer medium includes gathering information regarding the ancillary medical costs of each of the plurality of physicians in the healthcare practice participating in the insurance network from databases associated with ancillary medical networks, the databases positioned on servers in communication with each of a plurality of ancillary medical facilities participating in the ancillary medical networks.

15. (Previously amended) The method as defined in Claim 13, wherein the step of identifying the at least one physician comprises analyzing the ancillary medical costs of each of the plurality of physicians in the healthcare practice, calculating an average ancillary medical cost per physician for the healthcare practice, and identifying the physicians that have ancillary medical costs that are a predetermined percentage greater than the average ancillary medical cost per physician for the healthcare practice.

16. (Previously amended) The method as defined in Claim 13, wherein the step of identifying the at least one physician comprises selecting the physician having the highest ancillary medical costs within the healthcare practice.

17. (Original) The method as defined in Claim 13, wherein the step of modifying the at least one physician's management behavior comprises educating the at least one physician on benefits of alternative ancillary medical procedures using research literature for comparing the

alternative ancillary medical procedures to current ancillary medical procedures and further comprises organizing continued medical education classes through ancillary medical facilities to educate each of the plurality of physicians in the healthcare practice on the benefits of the alternative ancillary medical procedures.

18. (Original) The method as defined in Claim 17, wherein the step of modifying the at least one physician's management behavior further comprises preparing a list of ancillary medical procedures that the at least one physician may engage in that enable the at least one physician to receiving the predetermined reimbursement amount for the ancillary medical costs.

19. (Original) The method as defined in Claim 18, wherein the step of modifying the at least one physician's management behavior further comprises providing custom ancillary medical procedure forms that include the list of ancillary medical procedures that the at least one physician may engage in to further enable the at least one physician to receive the predetermined reimbursement amount for the ancillary medical costs.

20. (Previously amended) The method as defined in Claim 13, wherein the insurance network comprises one of the plurality of insurance networks, the at least one physician participates in the plurality of insurance networks, and wherein the step of modifying the at least one physician's management behavior further comprises preparing a list of common ancillary medical procedures that are approved by each of the plurality of insurance networks so as to enable the at least one physician to receive the predetermined reimbursement amount for the ancillary medical costs.

21. (Previously amended) The method as defined in Claim 20, further comprises providing patient intervention to modify the at least one physician's management behavior, the patient intervention including identifying at least one patient whose present ancillary medical procedures put the at least one physician at risk for not receiving the predetermined reimbursements for the ancillary medical costs, amending the at least one patient's present ancillary medical procedures to decrease the at least one physician's risk of not receiving the predetermined reimbursements for the ancillary medical costs, and discontinuing the at least one

patient's present ancillary medical procedures that put the at least one physician at risk for not receiving the predetermined reimbursements for the ancillary medical costs.

22. (Previously Amended) The method as defined in Claim 21, wherein the step of discontinuing the at least one patient's ancillary medical procedures further includes preparing first and second letters on the at least one physician's letterhead, the first letter informing the ancillary medical facility that the at least one patient's present ancillary medical procedures are discontinued and the second letter informing the at least one patient that the patient's present ancillary medical procedures are discontinued, wherein the first and second letters are reviewed for accuracy, signed by the physician, and transmitted to the ancillary medical facility.

23. (Original) The method as defined in Claim 20, further comprising updating each of the plurality of physicians in the healthcare practice of any changes in the management of ancillary medical costs from the insurance network.

24. (Original) The method as defined in Claim 20, wherein the ancillary medical costs include any costs taken from the group of pharmacy, anesthesiology, blood, blood storage procedure and administration, radiology, electroencephalogram, electrocardiogram, emergency room, intravenous therapy, organ and tissue acquisition, labor and delivery, medical/surgical supplies, nuclear medicine, occupational therapy, operating room, physical therapy, recovery room, renal dialysis, respiratory therapy, special care, speech therapy, or therapeutic radiology.

25. (Currently amended) A method of optimizing the profitability of an insurance network having a plurality of physicians in a healthcare practice participating therein by managing ancillary medical costs, the method comprising the steps of:

gathering data in a tangible computer medium from each of the plurality of physicians in the healthcare practice participating in the insurance network regarding management of ancillary medical costs;

identifying from the tangible computer medium at least one of the plurality of physicians in the healthcare practice participating in the insurance network that is at a greater risk of not receiving a predetermined reimbursement amount for the ancillary medical costs from the

insurance network by performing activities that are detrimental to receiving the predetermined reimbursement amount for the ancillary medical costs;

after the step of identifying, modifying ~~the plurality of physicians' in the healthcare practice~~ management behavior of the at least one of the plurality of physicians' in the healthcare practice regarding ancillary medical costs that are not profitable for the insurance network responsive to the gathered data; and

providing a financial incentive to the insurance network and the plurality of physicians in the healthcare practice participating in the insurance network to modify the plurality of physicians' management behavior of ancillary medical costs that are not as profitable to the insurance network.

26. (Currently amended) The method as defined in Claim 25, wherein the step of gathering data in the tangible computer medium includes gathering information regarding the ancillary medical costs of each of the plurality of physicians participating in the insurance network from databases associated with ~~the~~ ancillary medical networks, the databases positioned on servers in communication with each of a plurality of ancillary medical facilities participating in the ancillary medical networks.

27. (Currently amended) The method as defined in Claim 25, ~~further comprising~~ wherein the step of identifying includes the step of identifying at least one of the plurality of physicians in the healthcare practice participating in the insurance network whose management of ancillary medical costs ~~are~~ is not profitable to the insurance network.

28. (Currently amended) The method as defined in Claim 27, wherein the step of identifying the at least one of the plurality of physicians whose management of ancillary medical costs is not profitable to the insurance network includes the steps of calculating an average ancillary medical cost per physician for the healthcare practice, and identifying the physicians that have ancillary medical costs that are a predetermined percentage greater than the average ancillary medical cost per physician for the healthcare practice.

29. (Currently Amended) The method as described in Claim 27, wherein the step of identifying the at least one of the plurality of physicians includes selecting the at least one of the plurality of physicians having the highest ancillary medical costs within the healthcare practice.

30. (Previously amended) The method as defined in Claim 25, wherein the step of modifying the plurality of physicians' management behavior regarding ancillary medical costs that are not profitable for the insurance network includes educating the plurality of physicians on benefits of alternative ancillary medical procedures using research literature for comparing the alternative ancillary medical procedures with current ancillary medical procedures and further comprises organizing continued medical education classes through ancillary medical facilities to educate each of the plurality of physicians in the healthcare practice on the benefits of the alternative ancillary medical procedures.

31. (Original) The method as defined in Claim 30, wherein the step of modifying the plurality of physicians' management behavior further comprises preparing a list of ancillary medical procedure that the plurality of physicians may engage in that are more profitable to the insurance network.

32. (Original) The method as defined in Claim 31, wherein the step of modifying the plurality of physicians' management behavior further comprises providing custom ancillary medical procedure forms that include the list of ancillary medical procedures that the plurality of physicians may engage in that are more profitable to the insurance network.

33. (Original) The method as defined in Claim 32, further comprises providing patient intervention to modify the plurality of physicians' management behavior, the patient intervention including identifying at least one patient whose present ancillary medical procedures are not as profitable for the insurance network and amending the at least one patient's present ancillary medical procedures to ancillary medical procedures that are more profitable to the insurance network.

34. (Original) The method as defined in Claim 33, wherein the step of amending the at least one patient's present ancillary medical procedures further includes preparing first and second letters on the plurality of physicians' letterhead, the first letter informing the ancillary

medical facility that the at least one patient's present ancillary medical procedures are amended to new ancillary medical procedure and the second letter informing the at least one patient that the patient's present ancillary medical procedures are amended to the new ancillary medical procedures, wherein the first and second letters are reviewed for accuracy, signed by the physician, and transmitted to the respective ancillary medical facility and the at least one patient.

35. (Original) The method as defined in Claim 25, further comprising updating each of the plurality of physicians in the healthcare practice of new ancillary medical procedures that are more profitable to the insurance network.

36. (Previously amended) The method as defined in Claim 25, wherein the ancillary medical costs include any costs taken from the group of pharmacy, anesthesiology, blood, blood storage procedure and administration, radiology, electroencephalogram, electrocardiogram, emergency room, intravenous therapy, organ and tissue acquisition, labor and delivery, medical/surgical supplies, nuclear medicine, occupational therapy, operating room, physical therapy, recovery room, renal dialysis, respiratory therapy, special care, speech therapy, or therapeutic radiology.

37. (Currently Amended) A healthcare management optimization system for a healthcare practice including a plurality of physicians participating in an insurance network comprising:

a first database comprising ancillary medical procedures that are preferred by the insurance network;

a second database comprising ancillary medical costs of each of the plurality of physicians participating in the insurance network;

an analyzer in communication with the first and second databases for analyzing the data in the first and second database and comparing the ancillary medical procedures that are preferred by the insurance network with the ancillary medical costs of the plurality of physicians participating in the insurance network to thereby identify ancillary medical costs of the physicians that are not preferred by the insurance network; and

managing means responsive to the analyzer for managing the ancillary medical costs of the healthcare practice identified as not being preferred by the insurance network to thereby modify the ancillary medical costs of the physicians in the healthcare practice to be more profitable to the insurance network.

38. (Original) The healthcare management optimization system as defined in Claim 37, wherein the managing means includes an identifier for identifying at least one of the plurality of physicians in the healthcare practice participating in the insurance network that is at a greater risk of not receiving a predetermined reimbursement amount for the ancillary medical costs from the insurance network by engaging in ancillary medical procedures that are detrimental to receiving the predetermined reimbursement amount for the ancillary medical costs.

39. (Original) The healthcare management optimization system as defined in Claim 38, wherein the analyzer further includes calculating means for calculating an average ancillary medical cost per physician for the healthcare practice and identifying the at least one physician that has ancillary medical costs that are a predetermined percentage greater than the average ancillary medical costs per physician for the healthcare practice.

40. (Original) The healthcare management optimization system as defined in Claim 39, further comprising an educator responsive to the analyzer for educating the at least one physician on benefits of alternative ancillary medical procedures using research literature for comparing the alternative ancillary medical procedures to current ancillary medical procedures and further includes continued medical education classes to educate each of the plurality of physicians in the healthcare practice on the benefits of the alternative ancillary medical procedures.

41. (Original) The healthcare management optimization system as defined in Claim 40, further comprises custom ancillary medical procedure forms provided to each of the plurality of physicians in the healthcare practice participating in the insurance network that include the ancillary medical procedures that are preferred by the insurance network.

42. (Original) The healthcare management optimization system as defined in Claim 41, wherein the managing means further comprises patient intervening means for identifying at

least one patient whose present ancillary medical procedures are not preferred by the insurance network and amending the at least one patient's present ancillary medical procedures.

43. (Original) The healthcare management optimization system as defined in Claim 42, wherein the management means further comprises generating means for generating first and second letters, the first letter informing the ancillary medical facility that the at least one patient's ancillary medical procedures are amended to new ancillary medical procedures and the second letter informing the at least one patient that the patient's present ancillary medical procedures are amended to the new ancillary medical procedures, wherein the first and second letters are reviewed for accuracy, signed by the physician, and transmitted to the respective ancillary medical facility and the at least one patient.

44. (Original) The healthcare management optimization system as defined in Claim 43, wherein the management means further comprises an updater for updating each of the plurality of physicians in the healthcare practice of any changes in the management of ancillary medical costs that are preferred by the insurance network.

45. (Original) The healthcare management optimization system as defined in Claim 44, wherein the ancillary medical costs include any costs taken from the group of pharmacy, anesthesiology, blood, blood storage procedure and administration, radiology, electroencephalogram, electrocardiogram, emergency room, intravenous therapy, organ and tissue acquisition, labor and delivery, medical/surgical supplies, nuclear medicine, occupational therapy, operating room, physical therapy, recovery room, renal dialysis, respiratory therapy, special care, speech therapy, or therapeutic radiology.

46. (Original) A healthcare management optimization system for a healthcare practice including a plurality of physicians participating in an insurance network comprising:

a server having at least one database;

a communications network positioned to be in communication with the server;

a plurality of computers positioned to be in communication with the communications network, each including a user interface responsive to a user;

an updater positioned on the server and responsive to the user interface updating each of the plurality of physicians in the healthcare practice of any changes in the management of ancillary medical costs that are preferred by the insurance network; and

recommending means positioned on the server and responsive to the user interface for recommending to each of the plurality of physicians alternative ancillary medical procedures that are preferred by the insurance network.

47. (Original) The healthcare management optimization system as defined in Claim 46, wherein the at least one database comprises a first and second database, the first database including ancillary medical procedures that are more preferred by the insurance network and wherein the second database includes ancillary medical costs of each of the plurality of physicians participating in the insurance network.

48. (Original) The healthcare management optimization system as defined in Claim 47, further comprising an analyzer positioned on the server and in communication with the first and second databases for analyzing the data in the first and second databases and comparing the ancillary medical procedures that are preferred by the insurance network with the ancillary medical costs of the plurality of physicians participating in the insurance network to thereby identify ancillary medical costs of the physicians that are not preferred by the insurance network.

49. (Currently Amended) The healthcare management optimization system as defined in Claim 48, further comprising managing means positioned on the server and responsive to the analyzer for managing the ancillary medical costs of the healthcare practice identified as not being preferred by the insurance network to thereby modify the ancillary medical costs of the physicians in the healthcare practice to be more profitable to the insurance network.

50. (Original) The healthcare management optimization system as defined in Claim 49, wherein the managing means includes an identifier for identifying at least one of the plurality of physicians in the healthcare practice participating in the insurance network that is at a greater risk of not receiving a predetermined reimbursement amount for the ancillary medical costs from the insurance network by engaging in ancillary medical procedures that are detrimental to receiving the predetermined reimbursement amount for the ancillary medical costs.

51. (Original) The healthcare management optimization system as defined in Claim 50, wherein the analyzer further includes calculating means for calculating an average ancillary medical cost per physician for the healthcare practice and identifying the at least one physician that has ancillary medical costs that are a predetermined percentage greater than the average ancillary medical costs per physician for the healthcare practice.

52. (Original) The healthcare management optimization system as defined in Claim 51, further comprising an educator responsive to the analyzer for educating the at least one physician on benefits of alternative ancillary medical procedures using research literature for comparing the alternative ancillary medical procedures to current ancillary medical procedures and further includes continued medical education classes to educate each of the plurality of physicians in the healthcare practice on the benefits of the alternative ancillary medical procedures.

53. (Original) The healthcare management optimization system as defined in Claim 52, further comprises custom ancillary medical procedure forms provided to each of the plurality of physicians in the healthcare practice participating in the insurance network that include the ancillary medical procedures that are preferred by the insurance network.

54. (Original) The healthcare management optimization system as defined in Claim 53, wherein the managing means further comprises patient intervening means for identifying at least one patient whose present ancillary medical procedures are not preferred by the insurance network and amending the at least one patient's present ancillary medical procedures.

55. (Original) The healthcare management optimization system as defined in Claim 54, wherein the management means further comprises generating means for generating first and second letters, the first letter informing the ancillary medical facility that the at least one patient's ancillary medical procedures are amended to new ancillary medical procedure and the second letter informing the at least one patient that the patient's present ancillary medical procedures are amended to the new ancillary medical procedures, wherein the first and second letters are reviewed for accuracy, signed by the physician, and transmitted to the respective ancillary medical facility and the at least one patient.

56. (Original) The healthcare management optimization system as defined in Claim 55, wherein the ancillary medical costs include any costs taken from the group of pharmacy, anesthesiology, blood, blood storage procedure and administration, radiology, electroencephalogram, electrocardiogram, emergency room, intravenous therapy, organ and tissue acquisition, labor and delivery, medical/surgical supplies, nuclear medicine, occupational therapy, operating room, physical therapy, recovery room, renal dialysis, respiratory therapy, special care, speech therapy, or therapeutic radiology.